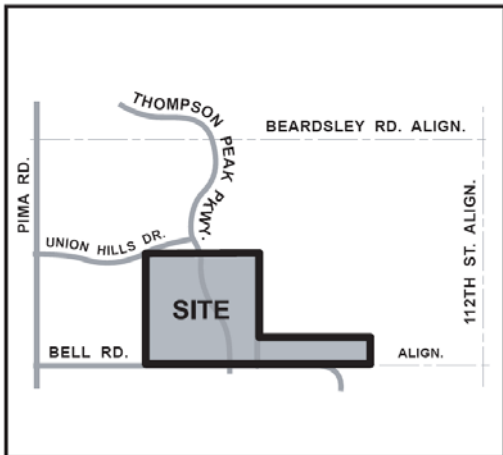




FACT SHEET



Toll Brothers Project

780 acres located at the northeast corner of 96th Street and Bell Roads.

Current Status:

City Council authorization of a Development Agreement with Arizona State Land Dept. and Toll Brothers

March 16, 2004 – the Scottsdale City Council is scheduled to consider approval of a development agreement between the City, the Arizona State Land Department and Edmunds-Toll Construction Company, to resolve development issues and various claims related to the city's acquisition of approximately 383 acres of property for inclusion in the McDowell-Sonoran Preserve (north of Bell Road and east of the Thompson Peak Parkway alignment).

Related Actions:

- September 16, 1991 – The City Council approved a request to rezone approximately 800 acres at the northeast corner of 96th Street and Bell Road from R1-35 ESL (single-family residential in the Environmentally Sensitive Lands Overlay) to R1-35 ESL, R1-18 ESL, R1-10 ESL, R1-7 ESL, R1-5 ESL (single-family residential districts in the ESL overlay), C-O ESL (Commercial Office in ESL), and C-2 ESL (Central Business District in ESL) with amended development standards for R1-18 ESL

Background:

- Approximately two years ago, State Land auctioned approximately 800 acres of land north of Bell for development. Part of the information packet provided by the State Land Department to prospective bidders included notice of the city's intention to acquire the land east of the proposed Thompson Peak Parkway Alignment for inclusion in the McDowell Sonoran Preserve. Toll was the successful bidder, so the city began discussions with Toll to acquire the property.

Development Issues:

- During acquisition discussions, a variety of issues arose related to property development including:
 - application of the new Environmentally Sensitive Lands Ordinance (ESLO) regulations
 - timing and responsibility for various infrastructure improvements
 - the city's right to condemn the property; and
 - the value of the property
- Additionally, the State Land Dept. (which has an interest in the property until Toll completes its purchase), took the position that the city could not condemn the property until it had transferred title to Toll.
- The city and Toll have been able to reach agreement on all of the entitlement issues except the value of the property to be condemned.

City Actions:

- January 13, 2004 – The city filed its complaint condemning the property, thereby fixing the value of the property.
- By agreement of the parties, the complaint has not been served. If the development agreement is approved and implemented, the State Land Dept. will transfer title of the Preserve land to Toll and the condemnation will proceed with land value being the only unresolved issue.

Development Agreement Process & Terms:

- **Preserve Acquisition** - Once the development agreement is approved and in effect (approximately mid-May), the State Land Dept. will permit Toll to obtain title to the 383 acres the city wants to condemn or acquire for the Preserve, and the city will gain possession of the property while the condemnation action is pending.
- **Zoning Stipulations** – at the request of Toll, the 1991 zoning stipulations are clarified to accommodate changed conditions and to update the stipulations to reflect current ordinance standards.
- **ESLO** – the ESLO standards in effect at the effective date of the agreement, apply to all development, except the city will consider permitting 30' building heights on the smaller lot sizes in R1-5, R1-7, R1-10, and R1-18 zoning districts. This consideration would apply to all ESLO properties. If the city decides not to allow 30' building heights, the agreement can be terminated.
- **Drainage & Flood control** – Toll will construct at its own cost, the east half of the regional flood drainage structure running through its property, which the city will then maintain, with Toll paying its share of the costs. The existing Bell Road Dike will be dedicated to the city, which the city will then maintain, with Toll paying its share of the costs.
- **Circulation System** – Toll will design and construct four full lanes of Thompson Peak Parkway through the property, with the City reimbursing Toll for the half built on the Preserve property. Toll will also pay its proportionate share of the CAP aqueduct bridge and the Bell Road improvements adjacent to its property.
- **Resolution of Claims** – Upon the effective date of the development agreement, Toll will waive all existing claims against the city arising from off-site flood waters, and all other claim related to issues addressed in the development agreement.

Next steps:

As the State Land Dept. and Toll Brothers currently own and control the development rights on the 780 acres, Toll Brothers is processing a preliminary plat and completing a Master Environmental Design Concept (MEDCP) for the full acreage. The preliminary plat (for 780 acres) is expected to be submitted in late March and approved by mid-May.

Once the Development Agreement is in effect and the City has taken possession of the 383 acres slated for Preserve acquisition, then development action on that portion of the 780-acre proposed project would cease.

- March 18 – Scottsdale Development Review Board to review Master Environmental Design Concept (MEDCP)
- May 6 (Tentative) – Development Review Board to review preliminary plat

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